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Household appliances labeling – progress made and needed in Central Europe

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Abstract

The CEECAP – Implementing EU Appliance Policy in Central and Eastern Europe project was developed with the aim of supporting Central and Eastern European countries in creating suitable conditions for implementing appliance labelling and efficiency policies in accordance with EU Appliance efficiency legislation and programmes.

The project has started in early 2006 and will last for 30 months. It is building upon the previous CEECAP, ELAR and other projects with the involvement of international organisations, such as the IEA, and the European Commission.

CEECAP aims to increase expertise and experience regarding the verification and enforcement, market introduction aspects, strengthen relationships between stakeholders and the start up of national actions to improve energy efficiency.

Main activities are the identification of the national experts and decision maker leaders, their training, design and preparation of national appliance labelling and efficiency actions, set-up of a national multi-disciplinary committees as a forum for discussion about best practices, cooperation opportunities and knowledge transfer.

The results will be an improved policy infrastructure for appliance labelling and efficiency and the future EU policies; a verification infrastructure for product and retailer compliance; collaborative activities to increase the consumer response to labels; and the establishment of a platform for information exchange and transfer.

Introduction

The EU appliance energy efficiency policy has a history of approximately 25 years, originating from the EU trade harmonisation objectives. In the late 1980s, some EU member states wished to introduce mandatory appliance labelling. This led to a mandatory EU policy, laid down in the 1992 Energy Labelling Framework Directive (92/75/EEC).

Appliance energy efficiency policy in Central and Eastern European Countries (CEEC) has started to take off several years ago, and a lot of progress has been made in relations to the EU enlargement and the EU legislation adoption. Most of the countries have been the candidates of the EU membership and therefore they had to comply with EU Acquis upon the EU accession.

All countries, however, did benefit also from early adoption of the EU energy efficiency regulation through reduced energy consumption, lowered energy bills and less CO₂ emissions.

In brief, the status quo in national appliance energy efficiency policy is currently characterised by the following issues:

- All involved countries have created a suitable policy framework for the implementation of appliance energy efficiency policy, all in their own way. Relevant national organisations are involved in the implementation of energy labelling.
- Appliance labelling is often picking up, but the share of labelled appliances and the retailer and sometimes even consumer interest in purchasing efficient appliances doesn't seem to be at the desired level yet. Especially insufficient consumer awareness, low incomes and inadequate testing and enforcement infrastructures are reported as barriers to a well functioning appliance labelling.
- Household possession of appliances varies significantly between countries of the region, particularly with regard to relatively new appliances such as dish washers and home-office equipment.
- Most countries have transposed the EU energy labelling directives, but the later directives have not been transposed without delays.
- Many countries have some experience with EU energy efficiency programmes, especially SAVE and Phare. Only a few countries have some (limited) experience with the EU policy making process.

Summary of the CEECAP project

The CEECAP – Implementing EU Appliance Policy in Central and Eastern Europe project was developed with the aim of supporting Central and Eastern European countries in creating suitable conditions for implementing appliance labelling and efficiency policies in accordance with EU Appliance efficiency Acquis and programmes.

With partners from the Czech Republic, Slovakia, Poland, Bulgaria, Romania, Lithuania, Austria, France and the Netherlands, the project has started in early 2006 and will last for 30 months. It is building upon the previous CEECAP, ELAR and other projects with the involvement of international organisations, such as the IEA, the European Commission, and the UNDP or European Energy Network's Labelling working group, as well as the Croatian Energy institute Hrvoje Požar.

CEECAP aims to increase expertise and experience regarding the verification and enforcement, market introduction aspects, strengthen relationships between stakeholders and the start up of national actions to improve energy efficiency of household appliances.

Main activities are the identification of the national experts and decision maker leaders, their training, design and preparation of national appliance labelling and efficiency actions, set-up of a national multi-disciplinary committees as a forum for discussion about best practices, cooperation opportunities and knowledge transfer.

The results will be an improved policy infrastructure for appliance labelling and efficiency and the future EU policies; a verification infrastructure for product and retailer compliance; collaborative activities to increase the consumer response to labels; and the establishment of a platform for information exchange and transfer.

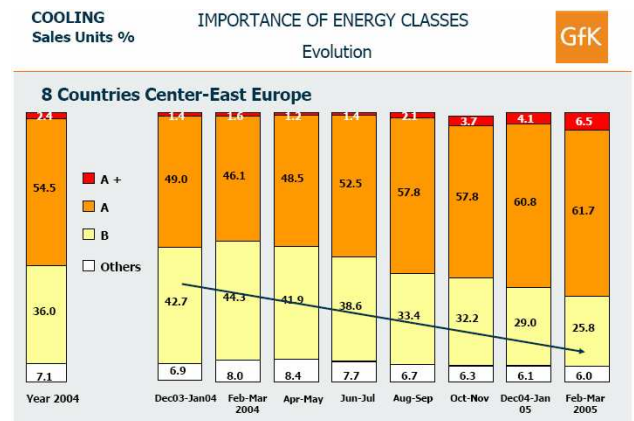
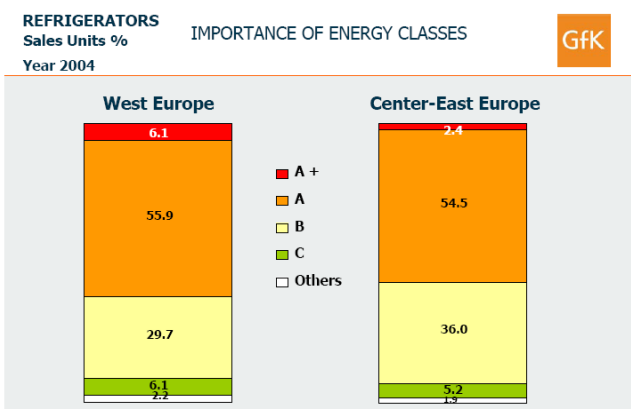
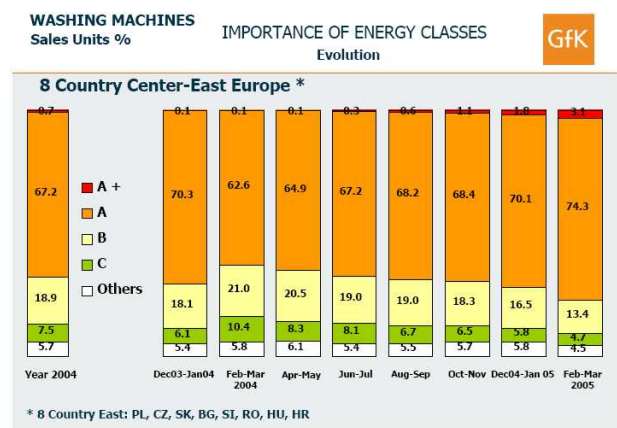
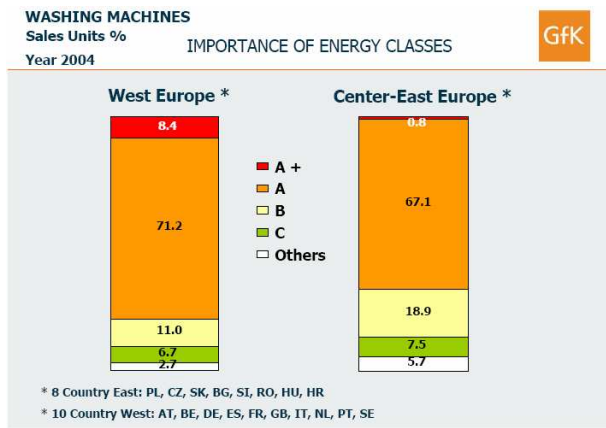
A special focus of the project is devoted to the work on the newly labelled appliances and the new energy classes, which have been introduced lately or which may be adopted on the European Union level during the course of the project. It also enables an exchange of experience between the new and candidate EU countries, with the adoption and implementation of the label legislation.

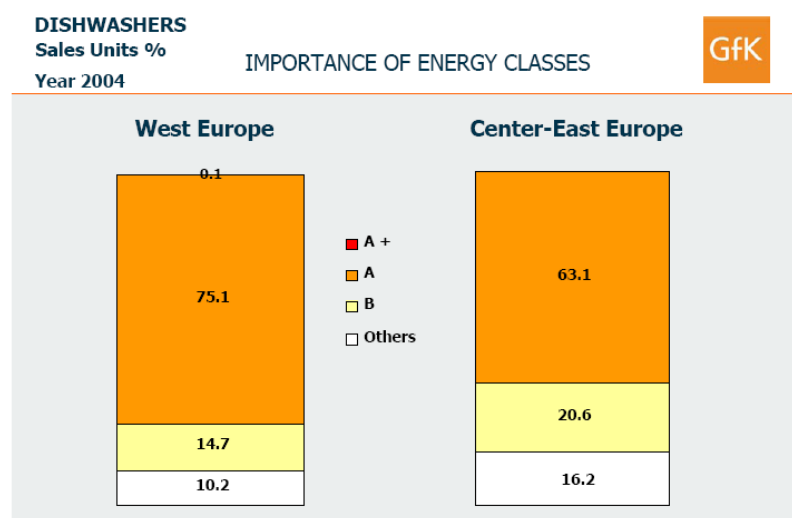
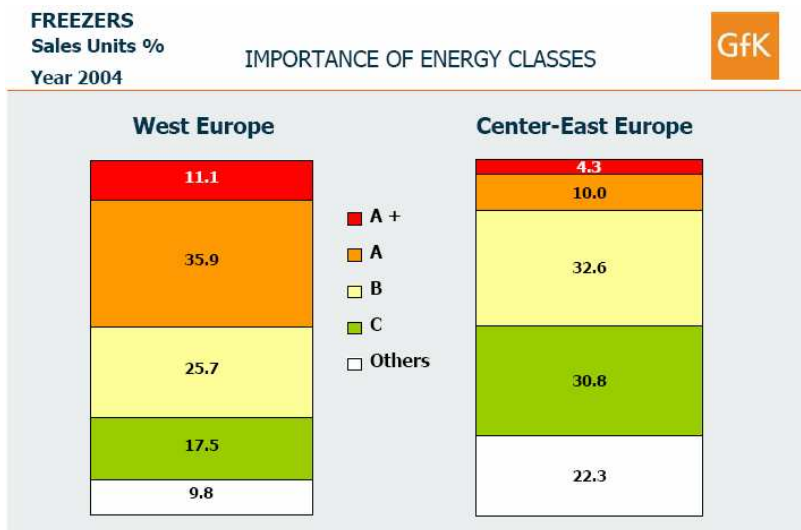
The expected outcome of this project is a significant increase in the energy efficiency of the appliances sold and, thus, energy and carbon emissions savings. The electricity savings, although difficult to estimate, may exceed 3 TWh cumulative due to this project and national implementation activities.

Presence of the household appliances by energy classes

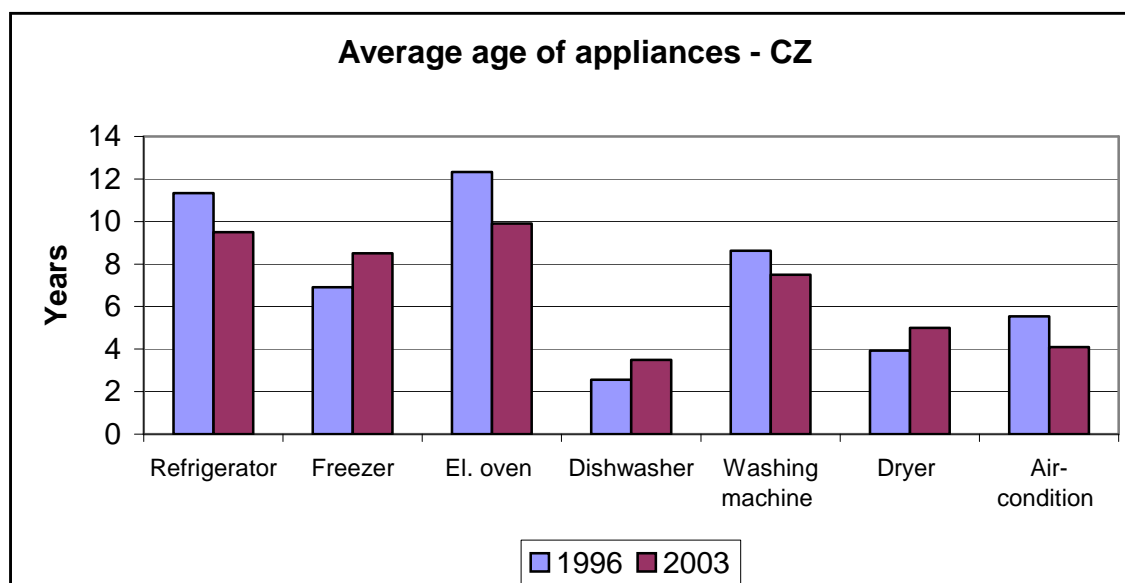
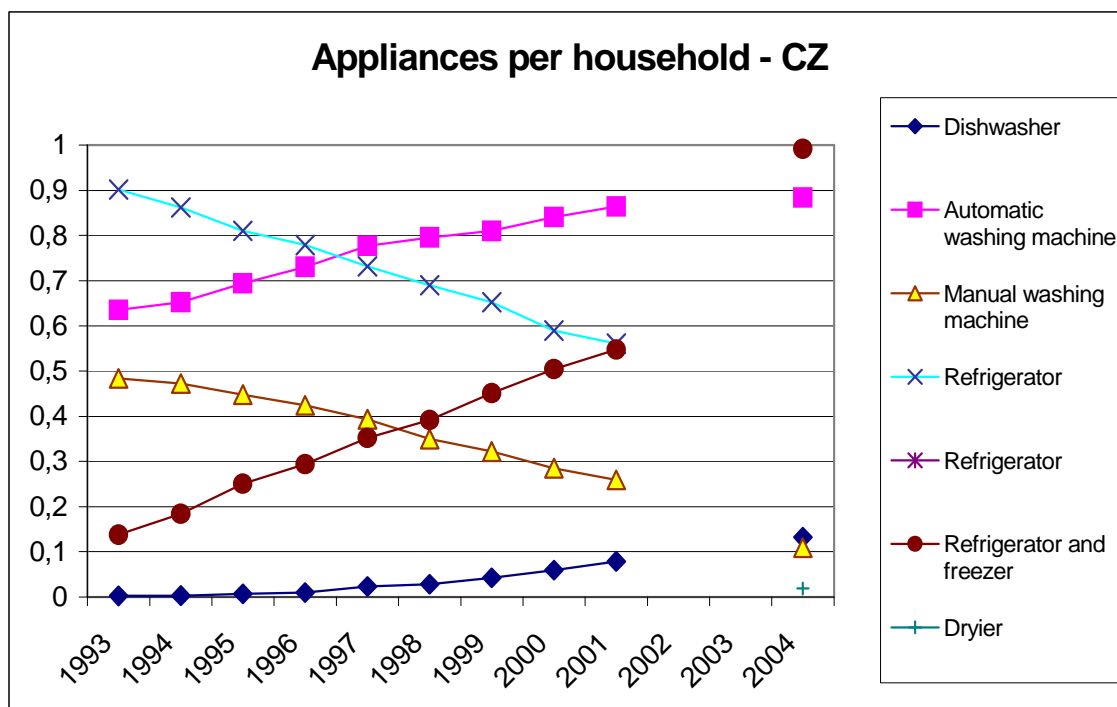
As can be seen from the pictures below (data taken from the GfK's public presentation), there is a difference in the share of energy classes for all major household appliances in the EU 15 (old members) and the new EU member and the candidate countries. In addition, with the exception of freezers, this difference is relatively small and the share of A and A+ labeled appliances is constantly increasing.

Figures: Importance of energy classes in Central European countries





The graphs above show the actual (2004) situation in shops. However, this does not indicate the real situation in households in terms of the energy performance of appliances which are being used. There is a general lack of this type of information which should be improved by better statistics (also due to the increasing electricity consumption in households due to higher appliance penetration). The following charts show the degree of facilities in the Czech households with appliances. Since there is no official statistics available about the energy class of these appliances, the only indicative information available is the average age of these appliances. This is shown in the second graph below.



As can be seen, there is still a relevant gap between the energy efficiency of appliances sold in the region of the EU new member states and the EU candidate countries. It could be also argued that the positive trend of higher share of efficient appliances is due to the fact, that these are being mostly sold by appliance manufacturers (and to some degree chain retailers) whose headquarters or main representation is usually located in the EU 15 region. In addition, there are several other issues which need to be resolved in the region, such as:

- It is mostly only passive transformation of the EU legislation without increased motivation for its updating or comments from national implementation bodies;

- It takes a considerably long time for new appliance labels to be “visible” on the market, due to slow control and motivation procedures from the state;
- In several countries the responsibilities and control mechanisms are not defined clearly which lowers the market control mechanisms;
- There is no control of the information on labels between the competing manufacturers, as was the intention in western Europe when introducing the labels, since these are only regional markets, directed from the headquarters;
- The presence of energy labels on appliances on shops varies considerably and in some countries and in some shops it is still possible to find a very small amount of appliances marked with labels.
- State organizations often show very insufficient support to the promotion of energy labeling principle, which also lowers the profile of information delivered from other, non governmental institutions.

Due to these issues, the CEECAP project was designed to overcome these issues to a large extent and to achieve the following direct outcomes of the project:

1. Increased knowledge and experience of government, energy agency and/or state inspectorate professionals of verification & enforcement requirements and international (best) practices;
2. Increased knowledge and experience of government, energy agency and/or consumer agency professionals in market introduction principles and international (best) practices;
3. Well-functioning national and regional coordination of national government and energy agency experts with stakeholders (appliance manufacturers or importers, retailers and their organisations, consumer organisations, NGOs, and /or inspectorates);
4. Developed national verification & enforcement programmes, including international cooperation between governments / government agencies, allocating national responsibilities to these programmes;
5. Developed new national market information programmes, in collaboration with manufacturers, retailers and other stakeholders, including the allocation of responsibilities, government and private sector resources to the planned activities;
6. Ability to react quickly to new appliance regulations, focusing on new appliances or modifying the energy classes on national level and by all stakeholders, from the government adoption, through the manufacturer and retailer usage and to the consumer understanding.

Planned achievements of the CEECAP project

The CEECAP project was developed with the aim of supporting Central and Eastern European countries in creating suitable conditions for implementing appliance labelling and efficiency policies in accordance with EU Appliance efficiency Acquis and programmes.

It aims to increase expertise and experience regarding the verification and enforcement, market introduction aspects, strengthen relationships between stakeholders and the start up of national actions to improve energy efficiency. The CEECAP Guidelines, on policy design; verification & enforcement; and market introduction, developed during previous stages of the CEECAP project.

Main activities are the identification of the national experts and decision maker leaders, their training, design and preparation of national appliance labelling and efficiency actions, set-up of a national multi-disciplinary committee as a forum for discussion about best practices, cooperation opportunities and knowledge transfer.

The results will be an improved policy infrastructure for appliance labelling and efficiency and the future EU policies; a verification infrastructure for product and retailer compliance; collaborative activities to increase the consumer response to labels; and the establishment of a platform for information

CEECAP Guidelines:

Policy Design

Verification & Enforcement

Market Introduction



Updated Edition, 2004

exchange and transfer.

The expected outcome of this project is a significant increase in the energy efficiency of the appliances sold and, thus, energy and carbon emissions savings. The electricity savings, although difficult to estimate, may exceed 3 TWh cumulative due to this project and national implementation activities.

Table: Participants of the CEECAP project:

Participant name:	Participant short name	Country
SEVEN, Stredisko pro efektivni vyuzivani energie, o.p.s.	SEVEN	Czech Republic
The Polish National Energy Conservation Agency,	KAPE	Poland
Romanian Agency for Energy Conservation	ARCE	Romania
Center for Energy Efficiency	EnEffect	Bulgaria
Lithuanian Energy Institute	LEI	Lithuania
Slovak Energy Agency	SEA	Slovakia
Agence de l'environnement et de la maitrise de l'energie	ADEME	France
Austrian Energy Agency	A.E. A.	Austria
Klinckenberg Consultants	KC	The Netherlands

Overall, the expected direct outcome of the CEECAP project within the year 2008 is a significantly increased national capacity to design and implement European appliance efficiency and labelling policies and national policies to support and complement these; to verify and – if needed – enforce compliance with the EU-based regulations; and to effectively inform the market about labels, standards and other appliance energy efficiency issues, working in collaboration with market parties (importers, retailers and consumer organisations).

The long-term impact of the project is an acceleration of appliance energy efficiency improvements in new appliances, as a result of higher market shares for efficient products, leading to a more efficient appliance stock and energy and national carbon emission savings.

Target Groups and Key Actors

The target groups for this project are primarily all stakeholders involved in appliance energy labelling and efficiency aspects in the participating Central European countries. This includes both public and private sector stakeholders, and some international stakeholders.

In detail, the target groups (stakeholders) include:

- *Government departments* with primary responsibility for implementing European policies.
- *Energy agencies*, which are the executing bodies for appliance energy efficiency strategies, operating close to the markets and having direct contacts with most stakeholders.
- *State energy and trade inspectorates*, responsible for verifying a wide range of product compliance issues, including appliance energy efficiency issues.

- *Manufacturers & importers of appliances*: Their role in the project is to make sure they fill in their responsibilities related to distribution of labels with the appliances, promote the efficiency aspects of appliances, and help other stakeholders to undertake the promotion to final customers.
- *Retailer organisations*: The role of retailer organisations in the project is to make sure they apply the labelling legislation and promote the more energy efficiency appliances on stock.
- *Consumer organisations*, representing the interests of individuals. Their role is to assist with controlling the accuracy of labels (presence in shops and information accuracy) and promote the labelling and efficiency aspects to the final customers.
- *European & International organisations*: International organisations are important for information exchange between national professionals, international benchmarking and as a source of expertise and best practices. Organisations contributing directly to this project are: The International Energy Agency and United Nations Development Programme, and the European Energy Network's Labelling working group (including SenterNovem as the chair of the group).

The EU 15 country' participants and the supporting international organisations will bring their local and own experience in promoting energy labelling and ensuring its accuracy on the level of their working field.

CEECAP Work Programme

The CEECAP methodology is dominated by training and information exchange in the early stages, followed by the building of stakeholder coalitions and the development of national action plans, and finally by putting the plans into action.

The work plan of the project is divided into work packages, which relate to one or more of the short-term goals of the project, and together these make sure that the project's objectives are realised.

The work packages are:

1. *Verification & Enforcement Capacity Building*: this work package includes the training, and information exchange activities for state officials related to the legislation, verification & enforcement aspects of appliance labelling and energy efficiency policy. This work package directly relates to the understanding of the relevant EU Acquis and the national transposition and implementation process and the knowledge of the relevant EU and individual EU member states policies (negotiated agreements, action plans, programs).
2. *Market Introduction Capacity Building*: this work package includes the training, and information exchange activities for retailers and manufacturers related to the market introduction and consumer & retailer education aspects of appliance labelling and energy efficiency policy.
3. *Stakeholder Collaborations Capacity Building*: this work package focuses on the project participants and includes policy compliance verification and best practice information, as well as training-on-the-job for setting up action-oriented stakeholder consultation platforms, for verification & enforcement actions and for market introduction actions.
4. *National Verification & Enforcement Plans & Actions*: which include the development and implementation of national verification & enforcement action plans for state officials, and the start of the planned actions in the countries. It includes the organisation of activities to enforce energy labelling in practice on national level.
5. *National Market Introduction Plans & Actions*: this work package includes the development of national market introduction action plans for retailers and manufacturers and the start of the planned actions in the countries.
6. *Dissemination of CEECAP Results* deals with the promotion of project results and the involvement of other partners in active support of energy labelling towards the customers. This work package focuses on maximising the impact of the European policies for appliance energy efficiency in both the countries involved in this project, and in other European countries, mainly the new EU member states, EU candidate countries, and other countries in the region of central and eastern Europe.

Main expected project achievements

Below you can find a list of selected main overall achievements, which are planned to be reached during the course of the project:

Performance indicator	Quantification
Energy efficiency achieved	The estimate is 300 GWh of electricity per year in all participating countries combined.
Assessing national priorities	Evaluation of the need to adopt current EC legislation and to comply with the new legislation; to verify the label information and to promote appliance efficiency labelling towards the final consumers.
Initialisation of stakeholder discussions	Level of discussion among the state institutions, manufacturers and retailers and their active labelling promotion. Measured e.g. also by the number of the national promotion materials produced.
Initiating action by national partners	Number of active local partners (among state institutions – at least two, manufacturers – at least three, and retailers – at least four in each country).
Implementation of national plans	Full compliance with the actual European labelling legislation. One of the key foreseen successes of the project, leading to the above mentioned electricity conservation and better consumer protection.
Two training programmes	350 pieces and a web publication of a training manual serving as a source of knowledge for project partners
Two national seminars	At least 30 participants combined in each state, for high level decision makers among state officials and appliance retailers and manufacturers, or the alternative of individual consultations.
Presentation on international and national conferences	At least one presentation on seminar of a non-partner organiser in each participating country among the NMS and the CCs and one international event to widen the audience and promote CEECAP results
Final project dissemination	2500 pieces of final brochure distributed in the year 2008 also to third countries to enable them to share experience

Examples of previous achievements

The importance of the project lies in the fact that the described activities have a strong potential to motivate local actors to start using energy labels fully and to understand them as a positive motivation for attracting consumer attention and for an improved company or institution's image.

A concrete example of such activity, which has already taken place, was the *ELAR* project (Energy Labelling of Large Household Appliance), which took place in the Czech Republic, Slovakia, Poland and Slovenia, with the financial contribution from the European Commission under the SAVE programme framework. The ELAR project's activities in the Czech Republic were selected as a Good Practice Case Study of the EC's Managenergy initiative.

The ELAR project focused on promoting energy labels to appliance producers and retailers as a marketing tool for their sales policy, as well as an information policy for the customers. Project activities took place in the Czech Republic with the main partners being the appliance producers, retailers, energy utilities, and consumer non-profit organisations. It was then possible to increase stakeholders awareness of the labels importance and involve them in their own energy efficiency/labelling activities. Promoting energy labels as a positive



marketing tool (not only a strict legal requirement) proved to make this project a success story in the Czech Republic.

In numbers, it can be stated that over 1.5 million of general public members were reached with the project outcomes. This was reached with tens of articles (including ones in the largest Czech newspaper), 180 thousand project leaflets distributed mainly by appliance manufacturers, mainly Bosch-Siemens, 150 thousand leaflets prepared together with the Philips corporation, 30 thousand consumer magazine special issue on labelling prepared with the Prague energy utility, and others. During seminars, conducted mostly in cooperation with Whirlpool, over 370 shop assistants were reached.

One of the proofs of success of the project are independent activities organised by other organisations (some ELAR partners, some not), which represent a follow up to ELAR promotion activities. This for example represents a special leaflet produced by the Prague Energy Utility and distributed to all households in Prague (800 000, including small business customers) which informed about energy labels and energy efficiency aspects of dryers; or a range of promotion activities of various producers aimed at the promotion of the new A+ and A++ energy classes. In addition, Whirlpool and other manufacturers continue using information on energy labels, based on ELAR, in their promotion events and seminars for retailers.

Based on the random control of concrete appliance shops, it can be even stated that the general level of energy labelling presence has increased in there in comparison to the period before the project in the Czech Republic.

Further information about the project:

www.ceecap.org

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Legal disclaimer:

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